

**MEMORANDUM ON THE OBJECTS OF THE MONEY BILLS AMENDMENT
PROCEDURE AND RELATED MATTERS
AMENDMENT BILL, 2017 (AS INTRODUCED BY THE STANDING
COMMITTEE ON FINANCE)**

1. INTRODUCTION

A resolution of the National Assembly mandated the review the Money Bills Amendment Procedure and Related Matters Act, 2008 (Act No. 9 of 2009) (“the Act”). The Act assigns functions that are not aligned with the present resource allocation and it therefore became necessary to review the practicability of the Act.

2. CONTENTS OF BILL

Clause 1

This clause seeks to amend various definitions as well as inserting a few new definitions.

Clause 2

This clause seeks to confirm that in addition to all money Bills, the Act further applies to all division of revenue Bills, the medium term budget policy statement, the fiscal framework and amendments to any of these instruments.

Clause 3

The proposed amendments to section 4 of the Act seek to clarify the powers of the committees on finance and appropriations.

Clause 4

Section 5 of the Act is amended to correct the heading; to clarify what the committees of the National Assembly must consider when assessing the performance of departments; and to

make it clear at the budget and recommendation reports must be submitted at the discretion of a committee of the National Assembly.

Clause 5

This clause seeks to amend the following timeframes:

- the submission of the medium term budget policy statement,
- when the committees on finance must report to the respective Houses,
- when the committees on appropriations must report to the respective Houses, and
- when a report must be submitted to the Minister of Finance.

The clause further seeks to correct certain inconsistencies about what the medium term budget policy statement must include as well as certain drafting errors.

Clause 6

The clause provides for an amendment to the heading of section 7 of the Act; the simultaneous tabling of the Division of Revenue Bill with the national budget and Appropriation Bill; the time period relating to the financial year in question; and certain consequential amendments.

Clause 7

The heading to section 8 is amended; certain textual corrections are effected and the time period by when the committees on finance must report to the respective Houses is amended.

Clause 8

This clause amongst other things proposes an amendment to the time period within which Parliament must pass the Division of Revenue bill.

Clause 9

This clause proposes certain textual amendments to section 10 of the Act.

Clause 10

This clause seeks to amend the heading and effect certain textual amendments to section 11 of the Act.

Clause 11

This amendment proposes:

- a shift from the mandatory tabling of a national adjustments budget to a discretionary tabling thereof;
- certain textual amendments;
- a correction of the anomaly that the Division of Revenue Amendment Bill was referred to a joint sitting of committees on appropriations;
- the removal of the time period by when the committees on appropriations must report to their respective Houses on the Division of Revenue Amendment Bill; and
- the sequential reporting of the Adjustments Appropriation Bill and the Division of Revenue Amendment Bill.

Clause 12

This clause proposes an amendment to the heading to the section 13 as well as certain textual amendments to that section.

Clause 13

This amendment proposes that the Parliamentary Budget Office should be a juristic person. It further proposes that the Director of the Parliamentary Budget Office be employed on a performance based, renewable five-year fixed term contract. It clarifies the transfer of funds must be in accordance with section 35 of the Financial Management of Parliament and Provincial Legislatures Act, 2009 (Act No. 10 of 2009). The proposed amendment further provides that the Director is the Accounting Officer of the Parliamentary Budget Office and sets out the reporting lines. The amendment proposes that an advisory committee instead of

the committees referred to in section 4 of the Act take over the function of nominating a replacement if the Director's position becomes vacant. Furthermore, the amendment proposes conferring on the Parliamentary Budget Office the power to obtain certain information.

Clause 14

This amendment seeks to reflect the proposed amendments to the Schedule of the Act.

Clause 15

This clause seeks to confer the power to make regulations on the Executive Authority.

Clause 16

This clause proposes amending the Short title of the Act.

Clause 17

This clause proposes amending the Schedule to the Act.

Clause 18

This clause seeks to amend the Long title of the Act.

Clause 19

This clause contains the Short title of the Amendment Act.

3. ORGANISATIONAL AND PERSONNEL IMPLICATIONS

None

4. FINANCIAL IMPLICATIONS FOR STATE

None

5. DEPARTMENTS/BODIES/PERSONS CONSULTED

The following stakeholders were consulted—

- Standing Committee on Appropriations
- Select Committee on Finance
- Select Committee on Appropriations
- The Parliamentary Budget Office
- National Treasury

6. CONSTITUTIONAL IMPLICATIONS

None

7. PARLIAMENTARY PROCEDURE

- 7.1. The Committee proposes that this Committee Bill must be dealt with in accordance with the procedure established by section 75 of the Constitution, 1996 since it contains no provisions to which the procedures set out in section 74 or 76 of the Constitution apply.
- 7.2 The Committee is of the opinion that it is not necessary to refer this Bill to the National House of Traditional Leaders in terms of section 18(1)(a) of the Traditional Leadership and Governance Framework Act, 2003 (Act No. 41 of 2003), since it does not contain provisions pertaining to customary law or customs of traditional communities.